



JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

State of Utah  
Department of Commerce  
Division of Securities

FRANCINE A. GIANI  
*Executive Director*

THAD LEVAR  
*Deputy Director*

WAYNE KLEIN  
*Director, Division of Securities*

**NEWS RELEASE**

**February 15, 2007**

**Criminal Fraud Charges Filed Against St. George Man Accused of Nevada Real Estate Investment Scam**

***Wright promised 300% profit in just two months ...***

**SALT LAKE CITY, Utah** – The Utah Attorney General's Office filed four criminal charges today against a St. George man for allegedly defrauding an investor out of \$100,000 in a real estate scheme. Kevin Lawrence Wright, 40, was charged with securities fraud and selling securities without being licensed in a deal involving the purchase of three properties in Henderson, Nevada.

The criminal pleadings allege that Wright told the investor he would need \$100,000 to purchase the properties and would then pay him back \$399,000 at the end of the next month or \$489,000 if the deal took another 30 days. Wright also promised to transfer the ownership of the three properties to the investor if the money was not repaid by that time.

The investor said Wright showed him the three properties and stated the investment would be secure because the properties would be recorded in the investor's name. The investor gave \$100,000 to Wright and received three promissory notes and what appeared to be trust deeds for the three properties.

The State alleges that when soliciting the investment, Wright misrepresented that he would be buying properties and that he was able to pay the high profits promised. In fact, Wright did not purchase any of the properties he showed to the investor. None of the trust deeds were ever recorded in Nevada. One of the properties listed in the promissory note does not even exist. Wright also failed to disclose that he had three outstanding civil judgments against him totaling \$327,225 and had been delinquent in paying taxes to the State of Utah for six years.

Eventually, Wright repaid \$25,000 to the investor. At that time, Wright admitted to the investor that he had not purchased the properties. This is not the first time Wright has been accused of real estate investment fraud. In March 2006, the Attorney General filed criminal charges against Wright for taking money from an investor in connection with a Bluffdale home purchased in the name of an investor. Wright later pleaded guilty and paid restitution. He was sentenced in September, 2006 to 20 days in jail, two years probation, a \$1,000 fine, and 500 hours of community service.

All defendants are presumed to be innocent unless they are found guilty in a court of law.